https://www.financial-planning.com/news/altruist-is-disrupting-the-custodian-market

Jason Wenk is the founder and CEO of Altruist.
Courtesy photo

As Altruist aims to disrupt custody, its CEO's vision remains clear
By Rob Burgess
July 18, 2025, 4:41 p.m. EDT

To say that Altruist has been making waves is an understatement.

After being founded in 2018, the upstart custodian has positioned itself as a legitimate challenger to the big three of Charles Schwab, Fidelity Investments and BNY's Pershing.

Just five years into its history, the startup had raised $169 million, elevating its valuation to more than $1.5 billion by May 2024.

By April of this year, it raised yet another $152 million in Series F funding, upping its valuation to $1.9 billion.

And just last month, Altruist underwent a major rebrand of its advisor platform and client portal. This refresh included a new subscription called Altruist One that bundles premium features across the platform, and the debut of Altruist's flagship AI product, Hazel, which is meant to act as a virtual administrative assistant to save advisors time.

Altruist serves over 4,900 advisors and has tripled its assets under management for two consecutive years. According to the 2025 T3 study, it is the fastest growing custodian.

Jason Wenk, founder and CEO of Altruist, has 20 years' experience in the financial services industry. He's worked as a financial advisor, investment systems developer and analyst, not to mention as a founder. His previous company, quantitative investment research firm FormulaFolios, was acquired by RIA Brookstone Capital Management in 2020.

"From a vision perspective, [Altruist] is six and a half years old, and interestingly, not a lot has changed since I put the first investor presentation together," said Wenk. "Obviously, I've always kept that confidential. We don't like to disclose it publicly. But what's funny is that if we did release it, people would go, 'Huh. Pretty much everything that you've done was all the stuff you said you'd do.'"

Wenk spoke recently with Financial Planning about how Altruist aims to make life easier for advisors, his big plans for AI agents, the stodginess of the fixed-income market and more.

This interview has been lightly edited for clarity and length.

Financial Planning: Altruist has been expanding rapidly. How does this growth fit in with your original vision?

Jason Wenk: We always intended to build a vertically integrated platform. At the core, you'd have a full self-clearing custodian. We'd integrate the key elements of software that tend to be challenging and expensive to integrate with a custodian. Things like seamless fee billing. It doesn't make a lot of sense, the way that custodians in the past did it; you'd have to download data from them into a third-party platform. The data is not readily accessible, so it has to be reconciled. There are a lot of challenges with reconciling the data that then allows you to calculate what a fee might be, to then create another file that then has to be uploaded to the custodian, to then debit the accounts and the whole process. It's a few days' lag time between when the calculations are made and the files are all done and uploaded. Sometimes accounts change and there's not even enough cash. That creates these errors on some set of accounts.

If you think in first principles, custodians should have, from day one, been built to do fee billing. It's nonsensical.

Same with performance reporting. I thought it was the funniest thing. Twenty years ago, when I worked with my first custodian, I called saying, "Hey, I can't figure out how to tell a client what their total returns are since inception on an annualized basis across all of their accounts." And they were shocked I even asked the question. They were like, "Of course, we can't do that. You need to have a third-party software to reconcile all of these." That just makes no sense at all. Of course, you should be able to go in and see how people are doing and what they have. Let's integrate these things that should have always been done this way from the beginning, and make it easy to use, entirely digital and lightning fast. Let's make sure we have access to fractional shares and higher yields on cash.

Things take a long time to do. They're incredibly complex, building all these different layers. There's a ton of surface area. Just thousands upon thousands of features. So it's far more complicated than anything else you could possibly build in fintech or advisor technology. I certainly applaud everyone else and what they're doing. I love to see innovation. But I also sometimes go, "Man, that looks so much easier just to build, like, a simple AI notetaker or something. That's a two-month project."

What we're doing is basically a decade of 500 people working insanely long hours to build a custodian with all of the key software integrated, and then to do it simultaneously as this collection of micro services, which basically means that we can also integrate with everybody. No one has to use this as an all-in-one. They can use this for a portion of their business. They can use this in conjunction with other tools they like and have used for a while.

I wish I could say the pace is [due to] some great new collection of ideas. But even AI was literally in my presentation six and a half years ago. We called it Altruist Intelligence back then. The idea was this collection of agents that would be like hiring employees who could do things for you. We shelved it early on, because when we did some user testing back in 2019 and 2020, advisors were

very reluctant to let AI do anything. And so we said, "OK, we'll build the data architecture to support this, and maybe as time goes by, advisors will get more comfortable."

With ChatGPT becoming such a phenomenon and being so commonly used by consumers, advisors and other professionals, the acceptance and excitement finally caught up with the idea. The cost of computing came down. The quality of the models increased substantially. You can build great tools that advisors also wanted simultaneously, whereas in the past, they have been hard to build, and people were not ready.

FP: What has been the feedback on Altruist's new AI product, Hazel?

JW: It's been fun to build and watch advisors interact with. When you get AI right, it feels like magic. We do weekly interviews with the beta group, and then we use our own AI tool to distill their feedback into actionable product enhancements or bug fixes.

The notetaker was the first AI tool that started to get meaningful acceptance with advisors. Many people started using those tools and went, "Wow, this is a lot better than the notes I take, and it allows me to send a really nice summary that my clients appreciate after a meeting, and it allows me to populate my CRM without having to do a whole lot. And that saves me time."

That's a nice start, you know, for people to get comfortable. But realistically, the best use cases for AI will be similar to an employee. If you hired an employee and all they did was sit in on your meetings and take notes and then queued up into your CRM and email, they'd be part-time because you're not in meetings all day, every day.

We're building this idea of a general-purpose assistant. It should be able to look at all of your emails and make sure they're organized. There are draft responses to anything that comes in, not just sending a post-meeting follow-up. It cleans and clears up your inbox. It makes sure you don't fall behind on things that can especially lead to bad client experiences. It should handle your calendar so you never miss a beat in terms of scheduling with people rescheduling, even making it feel more personal than, "Here's my Calendly link." You can make it feel like a real human who's helping coordinate and recording the schedule. If they're coming into your office, make sure they know where to park. Making it feel high-touch, with it being fully automated. A great assistant can not just respond to requests from clients, but they can also take tasks off your plate.

FP: What are Altruist's other AI plans for the future?

JW: The second agent that will launch shortly is a paraplanner. If you were hiring someone to help you serve your clients, you'd want them to have some strong financial planning skills and acumen and be task-oriented. The paraplanner agent is designed to be proactive and can actually interact with your clients on

your behalf. It is designed to gather and use information to populate the other tools in your practice. That'll be later this year, maybe late Q3 or early Q4.

The final agent will be an investment analyst. There are hundreds of things that you should be doing for every client to optimize their outcomes every year. It's hard to do that at scale across a large, complicated book of business, with a lot of unique clients. Investment analysis is designed to look at your clients and ensure that every dollar is working as hard as possible. Are there opportunities to save on fees? Maybe they have an ETF, and there's a competing ETF with a lower expense ratio. Maybe there are some tax-loss harvesting opportunities.

We will possibly be doing a compliance agent as well.

FP: You partner with fintech Moment on the fixed-income front. Why did you decide that was the right collaboration?

JW: The fixed-income market is the largest capital market in the world, much larger than equities. It's one of the least innovative. It is painfully behind the times when it comes to trading.

You should be able to price securities algorithmically, so the prices are accurate on the front end of your custodial platform. The inventory should be updated in real time, so what you see is available.

You should be able to buy a bond in a couple of clicks. You should do it at an incredibly low price, because you just eliminated all of the manual processes and even labor involved. The same is true for building a bond ladder. That should be incredibly simple. There should be no commissions.

What I love about Moment is that they built their own proprietary algorithmic pricing. That saves custodians like us millions of dollars. Paying pricing vendors is expensive because of the esoteric nature of fixed income. They've been awesome to work with, and they're still early.

FP: Are you aware that Netflix is working on a limited series about Sam Bankman-Fried and Caroline Ellison called "The Altruists"?

JW: We knew about it a while ago. We sent a little letter to Netflix to let them know that we own the trademark. I suspect it'll have a moment. People will watch it. And then six months later, they'll forget about it, and they'll move on to whatever the next thing is. I'm not too worried about the long-term impact of it. But I guess it's a cool name.

FP: What is the best piece of advice you've ever received?

JW: You become the average of the five people you spend the most time with. Choose who you invest your time with. It makes a huge difference.

The team we build, the people we hire, even the customers that we lean into and build great relationships with — we are surrounding ourselves with extraordinary, exceptional people. That allows us to do a lot more than if you're getting dragged down by mediocre or pessimistic people.